



Company Announcement, December 5th, 2014

New Coalition Government Formed in Greenland

Greenland Minerals and Energy Ltd ('GMEL' or 'the Company') would like to advise that a new government coalition has been formed in Greenland, following a national election on Friday, 28th November, 2014. After several days of negotiations the Siumut Party, which received the most votes in the recent election, has formed a coalition with the Demokraatic and Atassut Parties. The Siumut Party had led the previous coalition government.

The coalition agreement was signed by party leaders on Thursday 4th December, and stands for four years. The coalition government will have a parliamentary majority with 17 of the 31 seats.

GMEL looks forward to establishing a cooperative working relationship with the new government. Following the election, Siumut Party leader Kim Kielsen emphasised his commitment to resource extraction and creating a stable investment environment.

GMEL remains focussed on completing the feasibility study on the Kvanefjeld project, and working to finalise an exploitation (mining) license application. The Company will look to provide an update on the project timeline in the coming weeks, once the incoming government has settled into office.

ENDS



ABOUT GREENLAND MINERALS AND ENERGY LTD.

Greenland Minerals and Energy Ltd (ASX – GGG) is an exploration and development company focused on developing high-quality mineral projects in Greenland. The Company's flagship project is the Kvanefjeld multi-element deposit (Rare Earth Elements, Uranium, Zinc), that is rapidly emerging as a premier specialty metals project. A comprehensive pre-feasibility study has demonstrated the potential for a large-scale, cost-competitive, multi-element mining operation. Through 2014, the Company is focussed on completing a mining license application in order to commence project permitting. For further information on Greenland Minerals and Energy visit <http://www.ggg.gl> or contact:

Dr John Mair
Managing Director
+61 8 9382 2322

David Tasker
Professional PR
+61 8 9388 0944

Christian Olesen
Rostra Communication
+45 3336 0429

Greenland Minerals and Energy Ltd will continue to advance the Kvanefjeld project in a manner that is in accord with both Greenlandic Government and local community expectations, and looks forward to being part of continued stakeholder discussions on the social and economic benefits associated with the development of the Kvanefjeld Project.

The information in this report that relates to exploration targets, exploration results, geological interpretations, appropriateness of cut-off grades, and reasonable expectation of potential viability of quoted rare earth element, uranium, and zinc resources is based on information compiled by Mr Jeremy Whybrow. Mr Whybrow is a director of the Company and a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Whybrow has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Whybrow consents to the reporting of this information in the form and context in which it appears.

The geological model and geostatistical estimation for the Kvanefjeld, Sorensen and Zone 3 deposits were prepared by Robin Simpson of SRK Consulting. Mr Simpson is a Member of the Australian Institute of Geoscientists (AIG), and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Simpson consents to the reporting of information relating to the geological model and geostatistical estimation in the form and context in which it appears.

This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.